



COMMONWEALTH OF VIRGINIA
HOUSE OF DELEGATES
RICHMOND

January 18, 2012

R. LEE WARE, JR.
POST OFFICE BOX 689
POWHATAN, VIRGINIA 23139

SIXTY-FIFTH DISTRICT

COMMITTEE ASSIGNMENTS:
COMMERCE AND LABOR (VICE CHAIRMAN)
FINANCE
AGRICULTURE, CHESAPEAKE AND
NATURAL RESOURCES
RULES

His Excellency, Robert F. McDonnell
Governor of Virginia
1111 East Broad Street
Richmond, Virginia 23219

Dear Governor McDonnell:

As well you know, the presence of a large and potentially valuable deposit of uranium ore at Coles Hill in Pittsylvania County has raised supremely important policy questions for decision by the General Assembly and Governor.

To assist in the consideration of this matter, the Virginia Coal and Energy Commission, through its Uranium Mining Subcommittee, has secured two authoritative studies. The National Academy of Sciences (NAS) examined environmental, health and safety matters, while Chmura and Associates evaluated the socio-economic consequences, particular to Pittsylvania County and the surrounding area. Taken together, these studies identified the economic benefits of uranium ore extraction and sale, the attendant risks to public and environmental health and safety, and the "best practices" that are used to mitigate those risks by uranium-extraction companies around the world.

Although the permitting of a uranium mining and milling facility at Coles Hill would be subject to lengthy state and federal regulatory processes, some interested parties have suggested that the Commonwealth should take another year to study these recently completed reports before taking any action with respect to uranium mining. Other interested parties maintain that such a delay is unwarranted because uranium is mined safely around the world, including in similar climates and elsewhere, and the NAS report provides an eminently reliable analysis by which the Commonwealth could, if deemed of sufficient public importance, develop mining regulations based on international best practices.

While some of us may incline more toward one or the other of these two competing viewpoints, we believe there is a third viable option, namely, a responsible approach that is consistent with Virginia's reputation for deliberate governance. This approach would enable members of the General Assembly to know what a Virginia uranium mining regulatory program would look like, that is, what best practices and other safeguards it would incorporate and mandate, before legislators are called upon to vote on whether to remove or retain the current moratorium on uranium mining in the Commonwealth.

The executive agencies responsible for developing and implementing a uranium mining regulatory program—primarily the Department of Mines, Minerals, and Energy, in consultation with the Departments of Environmental Quality and Health—already possess the authority to prepare draft uranium mining regulations that would inform the General Assembly as to what such a Virginia regulatory program would appropriately include. By deferring legislative consideration of the moratorium issue until the 2013 General Assembly session, those agencies would have the opportunity to engage the necessary technical assistance, to provide opportunities for public review and comment consistent with the Administrative Process Act, and also to develop a proposed regulatory structure and process that incorporates the safeguards and international best practices identified by the National Academy of Sciences and other reputable institutions. Accordingly, the policy question of whether to lift the moratorium would be assigned to the General Assembly Session of 2013.

While we do not prejudge the agencies' substantive work, we do suggest that the draft regulations and any ensuing adjustment to the statutory moratorium relate specifically to the uranium deposit at Coles Hill, which has already been the subject of extensive exploratory drilling and is the only known economically viable uranium deposit in the Commonwealth, according to the NAS. If the day comes when comparable exploration and study yields evidence of another economically viable uranium deposit, then the General Assembly and Governor in office at that time could consider what, if any, legislative relief from the moratorium is warranted.

Finally, we respectfully call to your attention the fact that the proponents of uranium mining have proposed enactment of a severance tax or like provision, so that some of the revenues from uranium ore extraction and sale would be shared with the surrounding community. This aspect of the matter should, we believe, also be addressed before the 2013 Session.

We believe that this recommended course of action neither rushes to judgment nor delays the inevitably controversial subject merely for the sake of delay. It provides for an orderly two-step process in which the responsible technical individuals and agencies could execute their vital work, aided appropriately by public comment, and then—and only then—could the General Assembly make a well-informed decision, next year, on the important policy issues that are raised by the presence of a valuable uranium deposit in Virginia.

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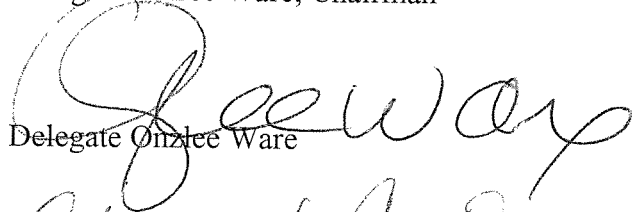
Accordingly, we respectfully request that you employ the authority of your office to initiate the aforementioned processes.

Thank you for your consideration.

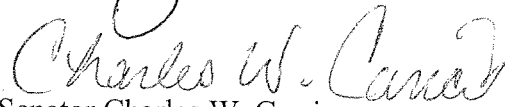
Sincerely,



Delegate R. Lee Ware, Chairman



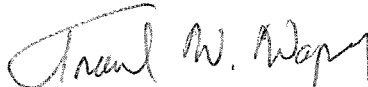
Delegate Onzie Ware



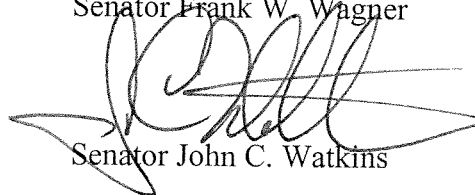
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Senator Frank W. Wagner



Senator John C. Watkins



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